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SUBJECT: MEDIA REACTION: INAUGURATION, U.S. - CHINA MILITARY
RELATIONS, FINANCIAL CRISIS

Editorial Quotes

11. INAUGURATION

"The World expects changes in the U.S."

The official intellectual publication Guangming Daily (Guangming Ribao)(01/22): "The American media indicates that there has never been a president like Obama who has gained the expectations of the entire world. The world is expecting many changes in U.S. foreign policy. Internationally, people believe that 'pride and prejudice' are deep rooted sicknesses in the U.S. In various international affairs, Washington has found it difficult to rid itself of the influence of these ills. The world needs Obama to change the U.S.' psychology; that they are always being the 'first' in the world. Obama should make use of this chance and redefine the U.S. 'democracy' in order to exchange opinions with his opponents and partners on an equal level. The world's people expect that Obama will be courageous in finding new paths and perspectives to deal with international affairs. Even if Obama is unable to change the U.S., at least he has the opportunity to use some restraint. People should not have too high expectations from the U.S. since Obama will not change the U.S.' life style, and nor will he change their ideology."

12. U.S.-CHINA MILITARY RELATIONS

"The U.S. should lead in breaking the impasse between the U.S.-China military relations"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(01/22): "The U.S.-China military relations are certainly having difficulties. The Bush administration's decision to sell a large amount of weapons to Taiwan in October 2008, has caused the U.S.-China military relationship to fall into the bottom of a deep valley once again. Because the U.S. started this conflict, they should take actual actions to change the situation. U.S.-China military relations are lag far behind the U.S.-China general relationship because of the contradictory U.S. policy on China. The U.S., on the one hand, needs China's cooperation on international and regional issues, and on the other hand, it never gives up its strategic restrictions on China, or its military vigilance. On the Taiwan issue, China will not make a deal with the U.S. If the U.S. continues to conduct two-handed policies on the Taiwan issue, the U.S.-China military relations will not smoothly develop."

13. FINANCIAL CRISIS

a. "Logic of blaming China for U.S. crisis is bizarre"

The official English-language newspaper China Daily (01/22): "No country, including fast-growing China, has been immune to the financial woes. Global efforts are being mobilized to tackle the

unprecedented financial tsunami. But former U.S. treasury secretary Henry Paulson recently blamed China and other countries ...Federal Reserve Chairman Ben Bernanke even claimed that such a high savings rate in foreign countries, in China in particular, had induced the bubble in the U.S. real estate industry to bulge. Such groundless criticisms from high-ranking U.S. officials are extremely detrimental to the current worldwide battle against the crisis. ...The country is still in the process of profound industrial and economic structural adjustments. It is still financially unable to set up a social security system that covers all of its population. ...a certain period of time is still needed to help the country realize a savings-to-consumption transformation. ...Also, fruitful cooperation between China and the U.S. since normalization of their diplomatic ties has brought huge benefits to the peoples of the two countries. ...It is obvious that Paulson's conclusion that China's high savings rate has hampered American people's consumption and triggered the financial crisis is contrary to reason. ...It is unrealistic to expect that the Chinese people, even after they get rich, will buy U.S. properties and financial derivatives to prop up the bubbles in its two sectors. American people's long-used model of overspending, the country's ill-conceived financial oversight system and its poor performance are the real causes behind the financial crisis."

b. "It is respectful, that China intends to maintain its 8% growth rate"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(01/22): "In order to deal with the international financial crisis, China has determined to keep its 8% growth rate in 2009. However, the western media is being sarcastic about China's determination. They are enjoying the benefit of

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China's development on the one hand, and on the other hand trying to influence China's politics by misusing the issue of 8% growth rate. They are not increasing global confidence; they are destroying it. Western media believes that China's rapid growth is largely related to large quantities of exports; China's economy will slow down due to the decreased demand of Chinese products. Such belief is reasonable in some way, but this reflects the Western media's underestimation of China's ability to deal with this crisis. Western countries' ignoring China's development, and slandering China's achievements on purpose, will lead to their own lagging behind."

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